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House probe turns to '70s arms deals

By Michael Kranish

WASHINGTON — House investigators are examining possible ties between the private network set up by Lt. Col. Oliver L. North to run the Iran-contra dealings and a 1970s-era network allegedly set up by former CIA agent Edwin Wilson and others to ship arms to Libya, Uganda and Egypt.

Egypt.

This aspect of the Iran-contra probe is revealed in a House select committee subpoena, a copy of which was obtained by the Boston Globe. The subpoena, which was issued to 120 people, asks witnesses for any information about the Iran-contra network and numerous companies once run by Wilson, who is in jail following his conviction for selling arms to Libya.

The subpoena indicates that Irancontra investigators have taken new interest in charges that former government officials in the late 1970s worked together on at least three programs — training terrorists for Libya's leader, Moammar Gadhafi; shipping weapons to Idi Amin, then president of Uganda, and making an inflated profit on a U.S. government contract to ship arms to Egypt in the wake of the Camp David peace accords.

Robert Havel, a spokesman for the House select committee investigating the affair, stressed that he could not comment directly on the subpoenas, but said: "Although Wilson himself is not under investigation because that is beyond our scope, there may be interest here in companies and people associated with Wilson ... to learn more about their past activities."

One of the most publicized Wilson deals involved a company called Eatsco Inc., which won a Pentagon contract in 1978 to ship arms to Egypt. Wilson has said his partners in that company included retired Mai, Gen. Richard V. Secord and a former Cla official. Thomas Clines.

Both Secord and Clines have been linked by a Senate Intelligence Committee report and the Tower commission report to the sale of arms to Iran and the diversion of funds to the contras. They have declined comment.

Secord and Clines have previously denied wrongdoing in the arms shipment to Egypt, and no charges have been brought against them in the 1978 deal. Eatsco pleaded guilty in 1983 to filing inflated invoices, and paid a \$20,000 fine. In addition, an Eatsco offshoot headed by Clines, Systems Services International Inc., paid a \$100,000 fine in 1984.

The subpoena issued by the House select committee asks witnesses for any information about both Eatsco and Systems Services International.

The subpoena also asks for information about Secord's former boss at the Pentagon, Erich Von Marbod, who has been named by Wilson as a silent partner in Eatsco. Von Marbod, who could not be reached for comment, has previously denied Wilson's allegation and has not been charged with wrongdoing.

Although Secord never was charged in the case, it has been widely reported that the Eatsco affair prompted Secord's resignation from the Pentagon and led him to go into private business. He subsequently worked with North on the Iran-contra dealings.

Another company mentioned in the subpoena is Intercontinental Technology, set up by Wilson and reportedly run at one time by Frank Terpil, a Wilson associate and former CIA agent who is said to be in hiding. Intercontinental, which had a \$3.2 million contract to sell arms to Idi Amin, according to a 1981 New York Times report, later was sold to Stanford Technology Corp. Stanford was deeply involved in the Iran arms shipments and diversion of funds to the contras, according to the Senate report. It currently is headed by Secord and Albert Hakim, who recently was granted limited immunity by the Senate and House committees in exchange for his testimony.

Wilson, in an interview with the Globe earlier this year, alleged that the government closed its investigation of Clines and Secord after a White House official stated that they were involved in sanctioned covert operations. Wilson has maintained during his trial and since his conviction that he was secretly working for the government when he sold arms to Libya.

Said Wilson in one recent interview: "If I wasn't in jail, I'd have headed up this operation."

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